



BRIEFING MATERIAL

FOR

RURAL SUMMIT

STATE OF GEORGIA

**PREPARED FOR:
CAROL RASCO
ASSISTANT TO THE PRESIDENT
OFFICE OF DOMESTIC POLICY
THE WHITE HOUSE**

THE WHITE HOUSE

WASHINGTON

April 18, 1995

MEMORANDUM FOR CAROL RASCO

FROM: Brian Burke

Subject: National Rural Conference

Attached please find briefing material for the Rural Summit in Georgia which includes an agenda, a list of presenters, and a series of issue papers. This briefing book was prepared by USDA and forwarded to you today. The topics of discussion for Georgia include job creation; providing water to rural areas; providing access to decent, safe housing; and education opportunities. Talking points on these issues are included in the USDA briefing material.

In addition, attached are the following talking points: general Iowa talking points entitled "President Clinton's Agriculture/Rural Accomplishments;" talking points for President Clinton's National Rural Conference, generally; and specific talking points on rural education and training. Please call me if you have any questions on any of this at 6-5573 or at home 301-588-3560.

SCHEDULE FOR GEORGIA RURAL FORUM

Advance Team:

Name: Bob McDevitt
Address: Hampton Inn
Phone #: 912-987-7681
Fax #: 912-987-7128
Pager #: 912-471-5645

Overall

Adam Golodner
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Jim Petterson
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Forum

Debbie Matz
Phone #: 202-720-4581
Fax #: 202-720-2080
Pager #: 1800 Sky Page 544 2275

War Room

Victor Vasquez, Jennifer Jose
Phone #: 202-690-0739
Fax #: 202-720-3541

SCHEDULE FOR GEORGIA RURAL FORUM**Wednesday, April 19****Evening****Arrive from Pennsylvania.**

Secretary Glickman
Mike Dunn
Tom Amontree
Larry Rana

Thursday, April 20**6:45am - 7:00am****- Meeting with Congressman Bishop****Location: Secretary's Hotel**

Secretary Glickman

7:00am - 8:00am**- Travel to Crawford Business Development Center.**

Secretary Glickman	Mike Dunn
Carol Rasco	Tom Amontree
Congressman Bishop	Larry Rana
Karl Stauber	Dayton Watkins

8:00am - 9:00am**- Site visit to Crawford Business Development Center.****Address:****Phone # ()****Fax # ()****Site Contact:****(Open to the Media)**

Secretary Glickman
Carol Rasco
Congressman Bishop
Mike Dunn
Tom Amontree
Larry Rana
Dayton Watkins
Karl Stauber

Draft: April 17, 1995, 6:00 p.m.

SCHEDULE FOR GEORGIA RURAL FORUM**9:00am - 9:20am****Travel to Rural Forum.**

Secretary Glickman
Carol Rasco
Mike Dunn
Tom Amontree
Larry Rana
Dayton Watkins

9:20am - 9:30am**Arrival at Rural Forum (registration for attendees will start at 8:00am.)****9:30am - 12:30pm****RURAL FORUM**

Fort Valley State College
Pettigrew Center
1005 State College Drive
Fort Valley, GA
Phone # (912) 825-6478
Fax # ()
Site Contact:
(Open to the Media)

Secretary Glickman
Carol Rasco
Mike Dunn
Tom Amontree
Larry Rana
Karl Stauber
Dayton Watkins

Debbie Matz
Jim Baker

12:30pm - 12:45pm**Greet Conference Attendees****12:45pm - 1:15pm****Media Availability, Separate Room, On Site
(Call USDA Ag. Newslines, 202-720-4330)**

Secretary Glickman
Mike Dunn
Tom Amontree
Larry Rana

Draft: April 17, 1995, 6:00 p.m.

SCHEDULE FOR GEORGIA RURAL FORUM**1:15pm - 2:15pm****- Travel to Lunch.**

Secretary Glickman

Carol Rasco

Mike Dunn

Tom Amontree

Larry Rana

Dayton Watkins

Karl Stauber

Debbie Matz

Jim Baker

2:15pm - 2:45p.m.**- Fish Fry and BBQ Lunch to be arranged by
Congressman Bishop (indoors).****(80 people - Commodity Groups)****(Closed to the Media)****Host: Commodity Groups - Georgia****Address: Georgia Agricenter, Reaves Arena****Building, Fairview Room, Second Floor,****Perry, GA****Phone #: (912) 987-2774****Fax #: ()****Site Contact:**

Secretary Glickman

Carol Rasco

Mike Dunn

Tom Amontree

Larry Rana

Karl Stauber

Dayton Watkins

Debbie Matz

Jim Baker

2:45pm**- Depart for Airport.**

Secretary Glickman

Mike Dunn

Tom Amontree

Larry Rana

AGENDA

GEORGIA RURAL CONFERENCE AGENDA

Opening

- 9:30 a.m. Event begins with welcome and introduction of Agriculture Commissioner Tommy Irvin by Dr. Oscar Prater, President, Fort Valley State College (5 min)
- 9:35 a.m. Introduction of Congressman Bishop by Agriculture Commissioner Tommy Irvin (5 min)
- 9:40 a.m. Congressman Bishop makes remarks and introduces Secretary (5 min)
- 9:45 a.m. Secretary makes remarks (10 min)
- 9:55 a.m. Carol Rasco makes remarks (5 min)

Topic and Issue Discussions

OVERVIEW

- 10:00 a.m. Frank Williams, the Executive Director of the Boggs Rural Life Center and Chairman of the National Rural Development Finance Corporation will discuss the issues facing rural Americans and opportunities which are available. (5 min)

JOB CREATION

- 10:05 a.m. Lonnie M. Edenfield, Jr., the Executive Director of the Cordele/Crisp County Industrial Development Council will discuss the job creation opportunities created by the EZ-EC approach. (5 min)
- 10:10 a.m. Ralph Paige, Director of the Federation of Southern Cooperatives, will discuss the role of cooperatives in rural economic development. He will be accompanied by Shirley Sherrod who works for the Federation and Freddie Perry, a farmer. (5 min)
- 10:15 a.m. Discussion (15 min)

PROVIDING WATER TO RURAL AREAS

- 10:30 a.m. George Lynch, City Administrator, Lumpkin, GA will discuss how FmHA made it possible to bring water to homes that did not previously have a viable water supply. (5 min)
- 10:35 a.m. Discussion (15 min)

PROVIDING ACCESS TO DECENT, SAFE HOUSING

- 10:50 a.m. Ronald Goodman, a disabled artist, will discuss how a 504 loan permitted him to purchase and renovate a house so that it is accessible to a disabled person. (5 min)
- 10:55 a.m. Marilyn Melton, a single mother, will discuss how JTPA gave her the training to get a job and then FmHA provided a loan so that she could own her own home. (5 min)
- 11:00 a.m. Discussion (15 min)

EDUCATION OPPORTUNITIES

- 11:15 a.m. Susie Williams is President of a local housing project tenant council and former Expanded Food and Nutrition Education Program (EFNEP) student. She will discuss the importance of EFNEP to rural residents. (5 min)
- 11:20 a.m. Tyrone Bacon is a student at Fort Valley State College who is majoring in agriculture education who intends to teach vocational agriculture. Will discuss problems of rural youth and the important role of Future Farmers of America in providing a positive influence.
- 11:40 a.m. Discussion

General Discussion

- 11:55 a.m. Questions and comments from audience

Georgia Rural Conference

Time: 10:00 am
Presenter: Lonnie Edenfield, Jr.
Issue: Job Opportunities Created by Empowerment Community Designation

Dooley/Crisp Empowerment Community:

Community Population: 16,333	Community Area: 457 Square Miles
Poverty Rate: 34 percent	Unemployment Rate: 7.5 percent
Per Capita Income: \$10,001	Education: 56 percent have high school degrees

Since 1930 the Dooly County population declined by 45 percent, while Crisp County grew slightly. Approximately 49 percent of Dooly County residents and 40.7 percent of Crisp County residents are black (compared to a State average of 27 percent).

Evidence of distress and poverty in these counties is evident in that the transfer of payments (retirement, disability, social security, welfare, food stamps, unemployment insurance) accounted for 27 percent and 24.6 percent of total personal income in Dooly and Crisp Counties respectively. The comparable figures for the State are 13.4 percent.

Economic Opportunity - The Enterprise Community will establish a revolving loan fund for business loans, and a one-stop shop for business licenses, permits, and assistance to facilitate the establishment of small business ventures. An incubator program for new or expanding industry and micro-enterprise services will be created for low and moderate income entrepreneurs.

Community Development - The application submitted by the community has a strong focus on community life. It has a strong focus on youth services, strengthening the family and on efforts to raise personal self esteem and build community unity and pride.

Sustainable Community Development - The community is implementing a family support program to increase parenting skills, prevent dropouts, prevent teen pregnancy, establish mentoring, provide child care and nutrition, etc.

Major Public Sector Commitments: \$2,664,000

Local Government Resources:

- \$200,000 - County Board of Commissioners to capitalize revolving loan fund
- \$400,000 - City of Vienna for child care facility

Issue: Job Opportunities Created by Empowerment Community Designation (Cont'd)

State Government Resources: (none specifically identified)

- \$2,000,000 in loans from Georgia Environmental Facilities for loans for water, sewer, or solid waste management.

Federal Government Resources:

- USDA and Corporation for National Service - a volunteer will be provided from the AmeriCorps Rural Development Team.
- \$64,000 to implement the Crisp/Dooly EZ/EC Micro Enterprise project.

Major Private Sector Commitments:

- \$15,000 from Dooly County Chamber of Commerce.

Business/Industry/School connection program.

- \$105,530 from Crisp Regional Hospital to support the Rural Health Crisp regional Hospital to support the Rural Health
- \$100,000 line of credit from First State Bank and Trust Company to capitalize the microloan program. Bank will also provide in-kind support and technical assistance valued at \$41,000 per year.

Georgia Rural Conference

Time: 10:05 am
Presenter: Ralph Paige
Issue: Role of Cooperatives in Rural Development

National Background: In the interest of reducing government expenditures, federal farm programs are under significant cost reduction pressures. This is a continuation of the trend in reductions in each farm bill since 1985. In 1993, President Clinton called for a 5 percent annual reduction in price and income support programs. Government payments currently account for roughly 5 percent of gross farm income and 20 percent of net farm income. Potential impacts on rural communities can be classified into three categories: immediate impact on farms, longer term impacts on farming and agribusiness structure, and economic impacts of the rural economy.

Federation of Southern Cooperatives/Land Assistance Fund: This organization grew out of the civil rights movement. Since 1967, it has worked at the grassroots level in rural communities throughout the South. Through community-based cooperative economic development efforts it has worked to generate new income, jobs, services and training opportunities for low income people. The Federation carries out its programs in an area from the Carolinas through Texas. It owns and operates a Rural Training and Research Center near Epes, AL, where it teaches members the skills of farming, business, and cooperative operations. Membership in the Federation includes:

- Thirty-five agricultural marketing, purchasing and technical assistance cooperative organizations. These organizations market about \$4 million worth of vegetables, soybeans, cotton, and livestock annually.
- Ten craft producer cooperatives that market the production of 2,000 handicraft producers, generating nearly half a million dollars in supplemental income each year.
- Fifteen community development credit unions with 10,000 members and about \$5 million in savings. These community thrift institutions have loaned over \$25 million to rural and minority people since their inception.

The Federation recently completed a 5-year strategic plan which includes strategies to expand and improve the ongoing work of the organization, calling for a budget of \$2.3 million (with increased reliance on self-generated resources from the membership and communities served).

The Federation/LAF has been the recipient of: USDA technical and funding assistance through several programs, including: \$8,000 to complete the five-year strategic plan; \$350,000 via the 1890 program for FY 1993; and funds from the Rural Technology and Cooperative Development Grant program through the Cooperative Development Foundation.

Issue: Role of Cooperatives in Rural Development (Cont'd)

Status of Agricultural Cooperatives: Farmer cooperatives had 4-million members in 1993. Record net business volume of nearly \$83 billion was reported by U.S. farmer cooperatives in 1993, an increase of 4.5 percent from the previous record of \$79.3 billion in 1992. The record sales year for the nation's 4,244 farmer cooperatives was due primarily to higher prices for livestock and poultry and increased sales of grains, oilseeds and farm supplies.

Marketing cooperatives -- those which sell and/or process crops and livestock for their members -- had net income of \$856 million, up 9.6 percent from 1992. The largest income increases were recorded by livestock and poultry, grain and oilseed, and dairy cooperatives. **Net income** for farm supply cooperatives -- those which sell fertilizer, chemicals, etc., to their members -- plunged to \$435.9 million, down 25.7 percent from \$586.7 million in 1992. Reduced margins were the result of higher natural gas prices as well as write-downs resulting from changes in accounting procedures.

Total marketing sales climbed 4.7 percent, to \$60.9 billion. Milk and dairy product marketings accounted for \$20.5 billion of that total, followed by grains and oilseeds with \$16.5 billion in sales, up 8.1 percent from 1992. **Total sales of farm supplies** increased 3.8 percent, to \$19.2 billion. Sales were up for all major types of farm supplies, with the exception of seed.

Cooperatives in Georgia: In 1993, USDA reported 15 farmer cooperatives operating in Georgia. Of these, nine were primarily marketing cooperatives, five were purchasing cooperatives, and one provided mainly services related to marketing and/or purchasing.

Net sales (excludes intercooperative business) of cooperatives in Georgia totaled \$1.1 billion in 1993. Except for one large diversified farmer cooperative, most of the other associations were relatively small based on sales. Sales from the marketing of farm products were nearly \$809 million and accounted for more than 71 percent of cooperatives' total sales. Poultry and milk sales account for nearly 82 percent of the total.

Farm supply sales and related services accounted for \$325 million. More than half of the farm supply sales came from feed. Miscellaneous supplies such as building materials, containers, animal health products, and farm equipment and fertilizer accounted for nearly 39 percent of farm supply sales.

Memberships in Georgia's farmer cooperatives totaled 39,790. More than 96 percent of these memberships were in marketing cooperatives. This number does include some duplication because many farmers belong to more than one cooperative.

Georgia Rural Conference

Time: 10:35 am
Presenter: George Lynch
Issue: Water 2000 Blueprint

There is strong evidence that more than one million Americans live in rural areas without clean, safe drinking water flowing into their homes. In pure numbers this is the equivalent of the combined states of Wyoming and Vermont. This situation surprises, concerns, even startles many suburban and urban Americans when they learn of it. But the fact remains -- across rural America, more than 400,000 families still don't have safe drinking water piped into their homes.

In the interest of improved public health and enhanced economic opportunity, the U.S. Department of Agriculture (USDA) proposes to work with these rural citizens and communities to fill this unacceptable gap in their quality of life. USDA, targeting and coordinating its resources and efforts with those of state, local and tribal governments, private citizens, businesses, nonprofit organizations, foundations and other federal agencies, is taking action to eliminate this inequity before the end of the century. This initiative is called Water 2000.

In August of 1994, the USDA convened a major Water 2000 round table discussion. Participants from across the nation brought concerns, field experiences and technical knowledge to an intense, day-long session. This concentrated effort set the tone for the document presented here - a blueprint for delivering clean, safe, affordable drinking water into all rural homes that seek it by the year 2000.

The premise driving Water 2000 is basic. Safe, affordable drinking water in virtually every home -- no matter how remote and distressed -- will improve the health and productivity of our nation's rural communities and control the long term public costs related to drinking unsafe water. In some of rural America's most remote corners, where poverty and unemployment rates are high and financial resources scarce, this initiative will invest in the ability of more than one million people to help themselves lead healthier lives and compete more vigorously in our national and global economy.

The Rural Utilities Service (RUS), part of the USDA's Rural Economic and Community Development (RECD) mission area, is coordinating Water 2000. RECD state directors will provide leadership and rely on their employees in the field for the direct individual and community services that are essential to the success of the initiative.

In launching Water 2000, USDA Secretary Dan Glickman appeals to potential partners of all descriptions -- state governments, major corporations, banks, foundations, and nonprofit organizations -- to consider the long term economic and social benefits their resources could bring to rural communities. Public-private working partnerships have greatly improved rural health and economic opportunity over the past 30 years.

Georgia Rural Conference

Time: 10:55 am
Presenter: Ronald Goodman
Issue: 504 Housing Loans for Renovation

Single Family Housing Section 504 Home Repair Loan and Grant Program: The objective of this program is to assist very low-income, owner-occupants to repair single family homes in rural areas through direct loans and grants. Repairs may be made to improve or modernize the home to make it safer and more sanitary, or to remove health and safety hazards. Homes are often made accessible for the disabled with funds made available through this program. The Section 504 Loan and Grant program is yet another avenue the Rural Housing and Community Development Service takes in improving the quality of life in rural America.

Customer Profile:

Section 504 Loans

- Very low-income rural owner-occupants who possess repayment ability for a repair loan.
- Loans are limited to \$15,000 at 1 percent interest with up to 20 years to repay.

Section 504 Grants

- Grants are only available to applicants 62 years of age or older, very low-income owner-occupants of rural housing, lack repayment ability for a Section 504 loan, and only for repairs that remove health or safety hazards.
- Grants cannot exceed \$5,000 and are subject to repayment if the dwelling is sold within three years after the grant is made.

Loan and Grant Repair Program Activity:

- The Rural Housing and Community Development Service processes and closes loans and grants for more than 12,000 applicants each year. Thus far for Fiscal Year 1995, Georgia has made 68 home repair loans and 153 home repair grants.

Georgia Rural Conference

Time: 11:00 am
Presenter: Marilyn Melton
Issue: 502 Home Ownership Loan

Single Family Housing Section 502 Direct Very Low- and Low-Income Loan Program: This loan program provides rural low-income families the opportunity to own a home.

Customer Profile: These applicants have little savings and no down payment, and usually are renting their homes. In many cases, they live in substandard housing, have limited education, and are single parent households. Unlike most conventional loan programs, eligible applicants may qualify for a home loan with no down payment.

Low income is defined as 80 percent of the area's median family income, while very low-income is defined as 50 percent of the area's median family income and below. Congress mandates that 40 percent of the Single Family Housing annual allocation for Direct loans be targeted to very low-income families. Some very low-and low-income families are eligible for payment assistance.

Direct Loan Program Activity: Currently there is a national portfolio of approximately 750,000 loans or 680,000 families with an additional 35,000 families added each year. Thus far, for fiscal year 1995, Georgia has assisted 200 very low-income families and 300 low-income families in realizing the American dream of home ownership.

Single Family Housing Section 502 Guaranteed Rural Housing Loan Program: This loan program meets the needs of a population that is not being met by any other loan program.

Customer Profile - Applicants & Borrowers: This market segment includes low- and moderate-income families (those with 80 to 115 percent of the area's median income) who are without adequate housing, and cannot obtain credit without a guarantee to private lenders from the Rural Housing and Community Development Service. This includes families who have too much income for traditional government low- and very low-income home loan programs, but lack sufficient income to accumulate a down payment necessary to qualify for other loan programs.

Customer Profile - Commercial Lenders: The Guaranteed Loan program allows lenders to increase their volume of low-risk loans and expand into untapped rural markets. These loans generate income through servicing fees and can be sold on the secondary market. For depository institutions, the loans count toward the Community Reinvestment Act goals. Lenders may use their own forms for applications, processing, and loan documentation. These loans are made at market interest rates with a 30-year fixed rate term. They may be made up to 100 percent of the market value of the dwelling or 100 percent of the acquisition cost, whichever is less.

Guaranteed Loan Program Activity: The Guaranteed Rural Housing loan program has made it possible for tens of thousands of families to achieve their dream of home ownership. In Georgia alone, 282 families have received Guaranteed loans during Fiscal Year 1995.

Georgia Rural Conference

Time: 11:30 am
Presenter: Susie Williams
Issue: Expanded Food and Nutrition Program

The Expanded Food and Nutrition Program (EFNEP): The Cooperative Extension System's Expanded Food and Nutrition Program (EFNEP) is a unique program that currently operates in all 50 states and in American Samoa, Guam, Micronesia, Northern Marianas, Puerto Rico and the Virgin Islands. It is designed to assist limited resource audiences in acquiring the knowledge, skills, attitudes and changed behavior necessary for nutritionally sound diets, and to contribute to their personal development and the improvement of the total family diet and nutritional well-being.

Youth: Education is provided at schools as an enrichment of the curriculum, in after school care programs, through 4-H EFNEP clubs, day camps, residential camps, community centers, neighborhood groups, and home gardening workshops. In addition to lessons on nutrition, food preparation and food safety, youth topics may also include fitness, avoidance of substance abuse, and other health related topics.

Adult: Through an experiential learning process, adult program participants learn how to improve the nutritional quality of the meals they serve. They increase their ability to select and buy food that meets the nutritional needs of their family. EFNEP is delivered as a series of 10-12 lessons over several months, by paraprofessionals and volunteers, many of whom are members of the target population.

Funding: The Federal appropriation to States to support EFNEP in 1995 is \$61 million. The Federal allocation to states represents 58-percent of the total funds support EFNEP. Many states leverage the EFNEP funds, and as a result, they are able to garner resources they would otherwise not be able to access without the base EFNEP funds.

Impact: The average cost of delivering the EFNEP program to a family is approximately \$300. With the conservative estimate of \$20 to \$30 per month in savings, this translates into an effective increase of benefits equivalent to \$240 to \$360 in the first year alone. Based on retention students conducted 1-3 years after graduation from the program, families continue to practice the new skills and improve the quality of their diets even further. In addition, the number of families on Food Stamps and WIC decreases. Through the increased self-esteem that comes as a result of the EFNEP experience, some families are able to break their dependence on public assistance programs.

Georgia Rural Conference Site Visit

Crawford Business Development Center Roberta, Georgia (Crawford County)

Officials: Charles Westberry, Chairman Development Authority of Crawford County; Brenda Carroll, Secretary, Development Authority of Crawford County and Manager of the Business Development Center.

Funding History:

- \$25,000 Industrial Development Grant (IDG) approved 6/91 for initial start-up and operating costs.
- \$25,000 IDG approved 6/92 for minor refurbishment and operating costs.
- \$100,000 Rural Business Enterprise Grant (RBEG) approved 4/94 for renovations and operating costs.
- \$107,000 RBEG earmarked from FY 95 appropriations to be used for operating costs; paving and refurbishment.
- Total RECD assistance \$257,000

History: The Development Authority of Crawford County and the Crawford County Board of Commissioners developed the Crawford Business Development Center in 1990 to serve as a business incubator for the seven-county area of Crawford, Lamar, Macon, Peach, Monroe, Taylor and Upson. The Center is located in a former elementary school building purchased from the Board of Education for \$1. Businesses are recommended to the Center by participation governments and selected on a space-available basis by the Development Authority of Crawford County. This Center also houses a training facility of the Flint River Technical Institute (they also train potential employees of the incubator's clients), Head Start, Public Library, Neighborhood Service Center and Historical Society.

Current Incubator Clients:

- A&W Machine Shop - employs 10 people
- Lan Netics - a computer company which will ultimately employ 100 people. They have furniture in a wing that they will occupy; however their move is not complete.
- Nursing Lab for training LPN's will be moving in next week.
- Thermo Tek, Inc - a Nevada based company, which produces a range of agricultural sprays that assist in the reduction of damage to crops, plants, trees, grass and all agricultural and horticultural plants due to extreme heat and cold and general environmental stress. They should be moving in within the next month.

Incubator Graduates:

- Peachbelt Mental Health Clinic. They were in the center for approximately one year before relocation into a house in Roberta, GA.
- Classic Products were assisted for approximately one year, and then relocated to Macon, GA.

**National Rural Conference
GEORGIA**

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National Rural Conference GEORGIA

RURAL EDUCATION ISSUES

School Nutrition Issues:

Block Grants: Governor Zell Miller has publicly voiced support for block granting the nutrition programs, indicating that states could do a better job than federal bureaucrats. In addition, the new Superintendent of Education, Linda Schrenko (R), also supports block grants. She believes schools would be encouraged to contract with food service management companies.

School Breakfast Program: The legislature passed a school breakfast program in FY 94, requiring schools to implement the program statewide by end of school year 1996-97.

Migrant Workers: The "People of the Road," an advocacy group, is concerned that migrant workers' needs are not being met: some schools are not taking school lunch applications for free or reduced meals without a social security card; applications are not always available in the language of the applicant; applications translated in a language other than English are written at a higher educational level than common everyday language of an applicant; and interpreters were not usually available. Note: Georgia recently adopted English as the official language.

Summer Program Participation: Although efforts are underway to increase participation in the Summer Food Program, one in five children in Georgia still goes without food some days. Of the 815,000 children in Georgia that depend on the School Lunch Program, only 21 percent participate in the Summer Program when school is not in session.

Disparity in Rural vs. Suburban Education: This is a real issue in Georgia and will probably surface no matter what site is selected in the 2nd district. The Georgia lottery and a relatively new state funding effort have helped to more "level the playing field"; however, rural schools still seem to suffer.

Related issues to this subject which are "hot" issues and likely to surface are school choice and vouchers for private schools. This issue is not as clearly defined Republican vs. Democrat as one might think.

The question could likely be posed as to what the Secretary and the Department of Agriculture could do to help. This might be a good time to mention distance learning and the rural link to the information superhighway and how Rural Economic & Community Development programs can assist.

Support for Research/Ag. Education: This is not necessarily controversial, however, the

people of the 2nd Congressional district would be interested in this Administration's support for Agriculture Research and Education. It is very important to the success of the economy there.

NUTRITION AND HEALTH ISSUES

Labeling of Poultry as Fresh: In response to Congressional, consumers, and some industry criticism, USDA proposed a rule in January changing its definition of "fresh" poultry. USDA recently extended the comment period for the proposal, leading some of these same groups to express concern USDA was backing off on the proposal.

Background: Since 1981 Food Safety Inspection Service policy has been to permit poultry to be labeled as "fresh" if it has not been chilled at or below 0 degrees Fahrenheit. Complaints that the birds are rock hard, and that frozen should not be labeled "fresh," have come from the California poultry industry and from consumer groups. In September 1993, California enacted a law restricting the use of the term "fresh" to any poultry that had never been held at or below 26 degrees Fahrenheit.

In December 1993, the National Broiler Council, the American Meat Institute, and the Arkansas Poultry Federation filed suit against the California law. On April 8, 1994, a U.S. District Court ruled that the labeling provision in the California law was preempted by Federal law and permanently enjoined the state from enforcing its law. In July 1994, Sen. Barbara Boxer and Rep. Gary Condit (both D-CA) introduced bills in Congress directing USDA to restrict the use of the term "fresh" to poultry that has *not* been chilled below 26 degrees Fahrenheit. This bill was reintroduced by Rep. Condit early in the 104th Congress.

On January 17, 1995, USDA published in the Federal Register its proposal to change regulations governing the labeling of poultry as "fresh" so that poultry that had been chilled below 26 degrees Fahrenheit could *not* be labeled "fresh." Poultry previously held between zero and 26 degrees Fahrenheit would have to be labeled "previously frozen." This proposal was published under a 60-day comment period which was extended on March 20, 1995, for another 60 days, ending May 20, 1995. On March 23, 1995, Sen. Boxer introduced a bill to require Food Safety Inspection Service to issue regulations concerning use of the term "fresh" on poultry labels.

Administration Position: USDA remains committed to adopting a labeling policy on "fresh" that meets consumers expectations. The comment period has been extended in order to:

Allow public review and comment on the findings of the Agricultural Research Service's (ARS) evaluation of the sensory, chemical, and physical properties of raw poultry products exposed to and held at temperatures from zero degrees to 40 degrees Fahrenheit;

Provide the opportunity for the National Advisory Committee on Microbiological Criteria for Foods, which does not meet until mid-April, to comment on the proposed rule;

Solicit comments on options for reconciling the Food Safety Inspection Service proposal to require a "previously frozen" disclosure on a product whose internal temperature has ever been below 26 degrees Fahrenheit with existing Food Safety Inspection Service regulations that require poultry labeled as "frozen" to have been chilled to an internal temperature of zero degrees Fahrenheit or below.

Women, Infants and Children: The Georgia Women, Infants and Children Director has voiced concern over whether the food funding formula and resulting State food grant recognize the true number of potential eligibles in the State and provides funds accordingly. Georgia was the only State in Fiscal Year 1994 to require a waiting list for clients due to lack of food funds to serve them.

Women, Infants and Children Infant Formula Rebate Contract: The Georgia WIC Programs experienced contracting problems with their Infant Formula Rebate and were without a contract for infant formula for about three months. This represented the loss of at least \$11.4 million in rebates to the Georgia WIC Program.

Welfare Reform in Georgia

Electronic Benefits Transfer: Georgia, along with six other States, is planning to implement Electronic Benefits Transfer (EBT) as part of the Southern Alliance of States (SAS). This will be acquired through the U. S. Department of Treasury's acquisition vehicle for obtaining banking services, the Invitations for Expression of Interest (IEI) process. The contract is expected to be signed October 1995 with a pilot operation beginning in March of 1996.

Georgia Common Access Application Project: This project, implemented on March 14, 1994, cuts the red tape in the welfare application process by reducing from 64 to eight pages the paperwork that clients will have to complete. The pilot project allows clients to access benefits of Social Security Income, Aid to Families with Dependent Children, food stamps, Medicaid, and housing assistance programs from a "single portal of entry." The process has been field tested in several areas in Georgia. Member agencies are now developing an automated version of the form which can be sent directly to computer systems.

Food Stamp Fraud: Georgia's legislature is considering bills which would add a "two strikes and you're out" provision for individuals convicted of food stamp fraud. Another bill would add procedural safeguards before an individual suspected of fraud could be referred to the District Attorney for prosecution. If passed, this provision would conflict with the Food Stamp Act penalties.

USDA's Southeast Regional Office has implemented a plan to reduce retailer fraud and help restore the public trust in the Food Stamp Program. In the first month, 20 stores with a high risk of fraud have been removed from the Food Stamp Program in the metropolitan Atlanta area.

Work First Proposal: The head of Georgia's Department of Family and Children's Services has initiated a plan to transform welfare offices to job counseling centers. Under the new program, welfare checks would subsidize salaries in the private sector. Participating employers would receive that money to offset the salaries they pay welfare recipients whom they hire.

ENVIRONMENTAL ISSUES

Timber Management and the Red-Cockaded Woodpecker: In late spring the Forest Service will release a final Environmental Impact Statement for long term management of the red cockaded woodpecker, an endangered species listed in 1973. The Environmental Impact Statement was controversial when released for public comment approximately 18 months ago.

Background: Significant concerns exist over the impacts to local economy and to local government revenues, especially in the Florida panhandle and Mississippi. The draft Environmental Impact Statement would have led to significant declines in national forest timber harvesting (20-25 percent in the first 10 years), although regionally, the national forests account for only about five to six percent of the timber supply. However, in some local areas, dependence on national forest timber is much more pronounced and economic impacts could be potentially more serious. Sen. Trent Lott (R-MS) introduced a Sense of the Senate Resolution late last Congress to direct the Forest Service to more carefully consider the social and economic impacts of changing Forest plans to incorporate specific population targets for endangered species. Georgia and Alabama are also covered by this Environmental Impact Statement. The Environmental Impact Statement will have no effect on private lands, because it covers national forests only. Thirty percent of the Chattahoochee-Oconee is unavailable for timber harvesting because of wilderness or other designations.

Other Timber Management Issues: With the proposed closure of the Forest Service research program in Florida, many of the personnel and much of the funding will be transferred to research work units in Georgia.

Agricultural Municipal Organic Waste Management: Composting of poultry litter was identified by the Appalachian Resources Utilization Consortium as a solution to a growing environmental problem in Cherokee, Pickens, Fannin, Murray, Whitfield and Gilmer counties.

Background: The Appalachian Resources Utilization consortium is a group of private and governmental agencies who have been working together to solve problems of dealing with the disposal of poultry waste and other organic residues. Members of this group include the Limestone Valley Resource Conservation and Development Project, the Georgia Forestry Commission, the Cooperative Extension Service, the University of Georgia, the Georgia Poultry Federation, the Georgia Dept. of Agriculture, the Georgia Soil and Water Conservation Commission, Tennessee Valley Authority, Georgia Office of Energy Resources, the Georgia Dept. of Natural Resources, the City of Canton, Environmental Protection Agency, Seaboard Farms, Gold Kilt Corp., Amicalola Electric Membership Corp. and Georgia Power Co.

A Cherokee County farmer, Mr. J.A. Whidby, assisted in this demonstration in which 109 tons of compost were made and sold for \$35 per ton. Hardwood sawdust was included in subsequent batches of compost, along with poultry processing sludge.

RURAL DEVELOPMENT ISSUES

Economic Research Service: Persistent poverty rates in non-metro counties (counties in which 20 percent or more of the population was below the Federal poverty line in 1960, 1970, 1980, and 1990) are concentrated in the Southeast.

Background: Manufacturing in general, and the textile and apparel industries in particular, are a major source of employment and earnings for rural economies in the region. The economic prospects of these industries and the rural people who rely upon them are, however, in doubt.

The availability and quality of a water and wastewater infrastructure are another concern to policy makers in the region. Lower incomes and higher rates of poverty make it difficult to afford these and other basic necessities.

The region is home to several USDA-sponsored State Rural Development Councils: North Carolina, South Carolina, Florida, Mississippi, Louisiana, and Arkansas have each formed a Council, while Georgia and Alabama have expressed interest. Together and individually, the Councils have several accomplishments worth noting:

In conjunction with the Administration's Empowerment Zone/Enterprise Community programs, State Councils conducted regional workshops to familiarize communities with the program and help them begin the process of applying. North Carolina and Mississippi each hosted a workshop. In addition, most of the Councils in the region are continuing to work with communities that were not selected to assist them in implementing their development strategies.

The North Carolina Council is active in the State's Rural Development Initiative and a survey of the State's rural water and wastewater needs. Both activities are designed to help North Carolina's rural communities obtain the infrastructure and services -- financial, technical, etc. -- they need to assure quality living and achieve grassroots' developmental goals.

Enterprise Communities/Empowerment Zones: The following communities were designated by President Clinton on December 21, 1994, as Rural Enterprise Communities: 1), Cordele, Georgia (Crisp/Dooly Coordinating Committee); and 2) Augusta, Georgia (CSRA Regional Development Center).

Background: The population of Georgia grew by 18 percent from 1980 to 1990 while the southern half of the state lost population. The applications submitted by the communities in Georgia were all based on extensive grass roots involvement. The resulting plans consider almost every aspect of community life.

Formerly a major source of income and employment, farming has declined in recent years in many areas of the state. Many residents have sought off-farm employment at nearby factories and retail outlets. However, some residents lack the skills and education to qualify for these jobs.

The plan submitted by CSRA weds economic recovery with that of empowering each citizen to achieve his or her highest potential. All programs proposed are to serve as a means of promoting and strengthening the family.

Wood-Based Manufacturing: Regionally, wood-based manufacturing is one of the region's most important industries. It ranks first in several states, in the top five in all southern states.

Background: Any rural development initiative for the southern United States must include management of forest resources as a key feature. The South's forests are the resource base on which one of the region's major economic pillars rests. More than 66 percent of the nation's poverty is in the rural south, with 80 percent of this poverty in the minority populations. The conditions and opportunities of this region need assistance in various forms from technical to financial. Forest product technology and special forest products offer many opportunities for rural economic improvements to sustain rural communities but at the same time need to be managed wisely to protect the ecosystems.

Flood recovery from tropical storm Alberto and subsequent heavy rains: Tropical storm Alberto moved across northwestern Florida into southwestern Georgia on Sunday, July 3, 1994.

Background: As Alberto moved inland over the next six days, it released in excess of 27 inches of rain on parts of Georgia. Rivers rose to record heights, dams failed and Georgia experienced the worst flooding in its history. Devastation extended into areas that were not previously thought to be vulnerable. The city of Montezuma and parts of Americus and Albany were completely under water. Thousands fled the rain soaked area leaving behind homes, property, and possessions, searching for safety on higher grounds. Within days after the flood, 52 counties had been designated federal or state disaster areas by President Clinton and Governor Miller.

The flood waters unleashed from tropical storm Alberto claimed 31 lives. Victims were trapped in homes and cars, or were swept away by swift currents. More than 50,000 people were displaced as the storm washed through homes and communities.

National Resources Conservation Service (NRCS) initiated its Emergency Watershed Program to protect property and lives and to restore the function of the watershed drainage patterns. To date, \$11 million of the federal funds have been combined with \$3.3 million state funds and more than \$1.0 million local funds to hasten the recovery. An additional \$8.0 million federal, \$2.0 million state and \$1.0 million local are needed to complete the recovery.

NRCS is also providing technical assistance to the Consolidated Farm Services Agency (CFSA)

for the Emergency Conservation Program (ECP). This program, currently at \$9.0 million, is to assist producers (64% c/s rate) restore agricultural land to pre-storm conditions.

Controversial Aspects: The primary concerns surrounding Emergency Wetlands Program (EWP) has dealt with eligibility. Public benefits are mandated. Numerous private lakes in housing subdivisions failed and their developers, or other interested parties, have requested financial assistance for replacement. In most cases, adequate public benefits do not exist in order to obligate federal dollars. However, the EWP assistance is extremely popular because local people have been the driving force behind the recovery actions.

The ECP program is also very popular and is providing a valuable service to agriculture. The primary concern has been on large dams that failed and caused major damages and potential safety hazards downstream. In these cases, USDA has required an upgrade to meet NRCS Field Office.

Fire Suppression in the Region: Rural fire suppression in communities where homes are involved is a real problem.

Background: Local fire departments and infrastructure limits the response rate and thus the fire insurance rates are very high (ISO rating of 10). Dry fire hydrants have proven to be successful in providing sources of water have lowered the ISO ratings on insurance resulting in thousands of dollars saved by local residents on premiums.

The rural transportation infrastructures such as bridges are in severe need of repair or replacement. Products from farm and forest cannot get to market limiting rural economic development. New or expanded business opportunities are limited due to lack of suitable access for heavy trucks and equipment.

Protecting the Environment - Implications for Rural Development: One issue of concern at all levels of government, and to small rural communities in particular, is program cost. Since many of the environmental laws originate at the federal level but are implemented at the state and local levels, a major question is where the financial burden should lie -- the unfunded mandate issue. Concerns over lost jobs and incomes from environmental regulations are often a major focus of the debate.

Background: There is evidence that using environmental amenities can be an effective economic development tool for rural communities both as a means of attracting industry, tourists, retirees and improving the quality of life of residents. The challenge appears to be developing a strategy that combines the right amount of environmental conservation with social and economic growth (sustainable development) which is consistent with local decision making, property rights and the development needs of the community.

Despite the large number of bills that failed during the 103rd Congress, many of these issues will be revisited during the 104th Congress, but under a considerably different climate as a result of

the mid-term elections. Budget pressures, government reform combined with other legislative issues will likely continue to squeeze public funding on environmental programs in the future.

Administration Position: USDA's Water Quality Program addresses agriculture's effects on ground water quality. The Swampbuster provision of the 1985 Food Security Act regulates conversion of wetlands for agricultural production. The Wetlands Reserve Program under the 1990 Farm Act further regulates wetlands. The USDA's Forest Service and the Natural Resource Conservation Service administer a wide range of programs to help states and communities use natural resources to promote rural economic development and to enhance the quality of the environment in accordance with existing authorities.

There is a need for a new round of environmental legislation that moves away from the approach of "one size fits all" to a process that is based at the local level. New regulations designed and implemented at the local level would have the benefit of flexibility to deal with the unique socio-economic characteristics of the community.

RURAL UTILITIES SERVICE

Standard Telephone Company (Cornelia, Georgia) received a Rural Utilities Service (RUS) Cost-of-Money Loan for \$22,474,000 and an Rural Telephone Bank Loan for \$22,684,200 to provide service to 7,868 new subscribers and provide system improvements to 45,785 existing subscribers.

Oglethorpe Power, formed by 39 electric cooperatives, RUS's largest borrower, is working with the RUS staff to develop alternatives to the traditional "all requirements" wholesale power contracts. They are looking at alternatives which could allow distribution cooperatives greater access to a deregulated market, but which would not endanger Oglethorpe's financial position.

Investment in Cellular Telecommunications. The long distances and low population densities of rural America make wireless service very attractive. Nine RUS borrowers in Georgia are involved in cellular ventures financed with their own funds or private capital. These companies have invested more than \$20,000,000 in cellular systems to serve rural areas in Georgia not served by the larger, urban cellular providers.

Rural Housing: The main issue affecting Georgia is inadequate loan funds, which creates long delays in loan closing for many prospective homeowners. Unfortunately, most of the Section 515 money could be rescinded and Georgia will not be able to fund any of their loans. Georgia leads the nation in providing housing approving 2,081 Section 502 Single Family Housing Loans in FY 1994.

Background: Single Family Housing loans made it possible for 244 Georgians to become homeowners with guaranteed loans totaling almost \$19 million. Direct loans totaling more than \$20 million assisted 472 Georgians to purchase or improve homes. Grants were made to 149

elderly and very low income Georgians and one percent loans were made to 62 very low income residents to remove health and safety hazards from their homes. Multi-Family Housing funds were released recently, and Georgia has three new projects (\$3.35 million) ready for obligation, as well as six repair projects totaling \$1.3 million. Community and Business program approved 11 loan and 10 grants for a total of \$28 million. Georgia has used all of their grant allocation of \$14 million with additional allocation from reserve of \$1.4 million.

Other Rural Housing Issues:

Million Dollar Delinquencies: The State has 50 delinquent borrowers with million dollar delinquencies, totaling approximately \$98 million. Twenty-three cases have been resolved in the past year.

Multi-Family Housing: Three hundred twenty-two multi-family housing projects of Georgia's caseload of 458 projects have been inspected to determine if serious health and safety conditions exist. Two projects had health and safety violations. The estimated cost to correct these violations is \$25,000. Thirty-eight projects had seriously deferred maintenance estimated at \$2,200,000 to correct. There were 65 projects with fair housing/Equal Opportunity violations. Estimated cost to upgrade accessibility is \$162,500.

Flood Assistance: Georgia continues to assist casualties of Tropical Storm Alberto and other natural disasters. The Albany County Office has provided assistance to many flood victims by providing temporary shelter and by advancing funds to repair borrowers' homes which were damaged by flood waters. Three inventories or custodial properties have been leased to persons/families displaced by the flood.

Fifty-five borrowers in the Albany Office have moratoriums on the payment of their loans to Rural Housing and Community Development Service (RHCDS). In addition, RHCDS has authorized protective advances to 20 borrowers for repairs to their homes. Repairs are not complete in these cases. These funds generally supplement Federal Emergency Management Agency funds, which have averaged \$6,000 - \$8,000 per home. The cost to repair has ranged from \$12,000 to \$14,000 in the Albany area.

Emergency Farm Loan Assistance: The State has made 74 Emergency loans, totaling \$5.2 million, so far in FY 1994. As of October 12, 1994, emergency loan assistance was available in 80 primary and 149 contiguous counties. Applications for emergency assistance will be accepted through April 17, 1995. One hundred and seven counties have active Presidential major disaster declarations. Applications for emergency assistance will be accepted from October 28, 1994, through March 29, 1995. Seventy-two counties have active Administrator's Physical Loss Notifications. Applications for assistance must be received by April 17, 1995.

Rural Development Success Stories

Development of the 1996 Olympic Whitewater Venue: While technically not in Georgia, this project is directly related to the 1996 Olympics being hosted in Atlanta. The Forest Service is developing the whitewater kayaking venue on the Ocoee River in Southeastern Tennessee matching \$12 million of appropriated federal funding with \$14 million in funding from other sources to build the course and host the event. The Forest Service views this as a rural development project, and it is located in a county (Polk) where unemployment chronically has exceeded 10 percent, frequently ranging as high as 18 percent. Announcement of the Olympic event in 1992 has stimulated the local economy. Unemployment has declined to a point at or near the national average and the annual rate of new business starts in Polk County have tripled.

Olympic Development – Horse Show: Last year, Animal and Plant Health Inspection Service received a request from the Federation Equestre Internationale (the authority with primary oversight responsibility for most worldwide horse show competitions) and the Atlanta Committee for the Olympic Games to waive the Federal health testing requirement for horses to be imported into Atlanta in 1996 for Olympic equestrian events.

A number of state departments of agriculture, as well as the majority of U.S. horse industry organizations, urged USDA not to waive the requirement, citing the threat that imported horses pose of introducing serious livestock diseases, including equine piroplasmosis. This disease, which is transmitted by ticks and causes debilitating anemia and even death in some cases, could become established in Georgia tick populations. While equine piroplasmosis is treatable, it is not present in the United States and would be costly to eradicate. Georgia State law prohibits the entry of horses that test positive for equine piroplasmosis. Animal and Plant Health Inspection Service officials have completed a full risk assessment and determined that the risk warrants maintaining the current testing requirements. We believe that, by giving international competitors sufficient lead time to treat any horses that are infected with the disease, the animals can achieve negative status before being imported to participate in Olympic events.

Olympic Development and AmeriCorps: Will Harrell, an AmeriCorps Rural Development Team member, has been serving rural citizens in North Georgia by developing a recreational opportunity guide to direct international tourist to previously unknown and under visited areas. This guide highlights attractions in the communities of Gainesville, Suches, Dahlonega, Helen, Greensboro, Greshamville, Madison, Athens, Eatonton, Monticello, Blue Ridge, Morgantown, Calhoun, LaFayette, Villanow, Hiawassee, Blairsville, Young Harris, Chatsworth, Eton, Cleveland, Toccoa, Turnerville and Robertstown. The majority of these locations are situated in or near economically disadvantaged rural communities. The guide is 75 percent complete and will be circulated to all Olympic tourism centers and all federal offices.

Additionally, Will has been presenting environmental education programs. These programs achieve two objectives. They enhance the quality of life in these communities by providing critical technical information to enhance ongoing recycling programs and assist local citizens to implement natural resource conservation practices. Both students and young adults become aware of career opportunities in the natural resource arena.

Thomasville Market: Agricultural Marketing Service initiated a study to improve the operation of the wholesale and collection market at Thomasville. The existing facility serves more than 500 small farmers and 13 buyers. More than \$35 million of produce moved through the market in FY 1994. This produce generated more than \$92 million to the region. The facility needs to be expanded to accommodate additional farmers who are expected to switch from growing tobacco, peanuts, and cotton to produce. The project is supported by a cooperative agreement with the Georgia Department of Agriculture.

Timber Bridge for Habersham County, Georgia: The conditions of the rural bridges in Habersham County Georgia are poor and limiting the economic development of the area. The cost of replacing the bridges is out of reach for the local government so a demonstration glue laminated, wooden, vehicle bridge was built through a Forest Service timber bridge grant. The purpose was to show the use of locally grown and treated wood to build low cost and maintenance bridges. The bridge has been a big success and engineers and local governments from around the country have come to see this unique idea to adapt to their needs.

Direct Marketing: One recent Federal-State Marketing Improvement Program project involved a \$50,000 grant to the Federation of Southern Cooperatives Land Assistance Fund. This organization works with low-income, mostly black family farmers across the rural South. They have established a rural-to-urban direct marketing program with community and church groups in New Orleans, Atlanta, Memphis, and Birmingham. In 1993, with Agricultural Marketing Service's (AMS) help, it was able to better organize its marketing efforts and coordinate scheduling to the extent that the participating cooperatives sold an additional million dollars worth of produce.

Education and Day Care: In 1991, the Georgia Department of Human Resources mandated that all employees of day care centers receive 10 hours of training annually. Because these providers earn minimum wage, it was essential for quality training to be available at a nominal fee. Extension home economists are a source for training because they are local professionals trained in child and family development, nutrition, diet health, and food safety. As of 1990, almost 4,400 children under age five in the six-county area surrounding Coffee County needs day care. This area has 22 day care centers and 87 family homes with about 150 employees. To comply with the mandate for training, seven county Extension Service offices joined together to provide 10 hours of training annually. Since 1991, 462 child care providers from more than 20 counties have completed training seminars for a total of 2,310 hours. The total savings from this training is \$9,500 in training fees and 600-800 hours travel time.

Health Care: Johnson County Center for Community Health received a \$285,900 Community Facility loan from USDA to purchase and renovate the building they now occupy. The Center seeks to provide quality primary health care to Johnson County, a medically under served and Health Profession Shortage Area. As a result, additional providers will be able to join the Center to provide much needed health care services.

Conservation Farming: Wayne Whitley, a guaranteed farm borrower, received an award for Conservation Farmer of the Year in Bacon County. Georgia guaranteed loan makes it possible for him to grow 300 acres of row crops, 100 acres of cotton, 1,100 hogs, and 300,000 chickens.

Quick Response to Disaster: Citizens Telephone Company (Leslie, Georgia) sustained approximately \$1,000,000 in equipment damage due to severe flooding during July 1994. Quick action by RUS in the form of a 2-1/2 year loan deferral allowed this company to use internally generated funds to repair the damage. RUS was able to provide immediate assistance to a disaster area at minimal cost to the taxpayers.

Pineland Telephone Cooperative: Based on "the excellent telecommunications service provided by Pineland (Pineland Telephone Cooperative of Metter, Georgia, a RUS borrower)," Wallace Computer Services, Inc., is expanding their current facility in Metter and adding 50 new jobs.

Brantley Telephone Company: Brantley Telephone Company of Nahunta, Georgia, a RUS borrower, guaranteed a USDA loan to SEAFAR, Inc., to construct a nursing home in Nahunta. This \$400,000 loan was leveraged with \$275,000 from SEAFAR and a \$1,025,000 loan from a private lender. Prior to this project, there were no nursing homes in Brantley County. Completed in November 1994, the nursing home now provides 74 new jobs to the area.

RESEARCH ISSUES

Soil Erosion: Conventional row-cropping on highly erodible soils of the Southern Piedmont with cotton and other clean tilled crops during the period 1930-70 resulted in excessive soil erosion and loss of much of the top soil.

Background: During the last 25 years much research has been conducted to produce row-crops on erodible soils using minimum tillage with surface plant residue mulches to reduce erosion. Agricultural Research Service (ARS) at the Southern Piedmont Conservation Research Center at Watkinsville has been a leader in this effort.

The change began when Dr. Langdale switched from the conventional row-cropping system to a conservation tillage cropping system. Now, 20 years later, soil erosion is essentially zero, 1/4 inch or 0.5 of 1 percent of the 49.4 inch annual rainfalls is the average runoff from the watershed. Normal yields of soybeans are at the 50 bushels per acre level, but this year, an exceptional year, the soybean yield was 71 bushels per acre and the real miracle is the change in the nature of the soil itself.

Boll Weevil Eradication: Georgia's cotton growing areas are about 99 percent free of boll weevil infestations. Increased cotton acreage in Georgia for 1995 cotton year is due, in part, to USDA's boll weevil eradication program. Cotton acreage is expected to top one million acres in Georgia, higher than anytime since the 1930s.

Background: Boll weevil eradication in North Carolina, South Carolina, Georgia, Florida, and southern Alabama has given farmers in these states the opportunity to produce cotton more efficiently than in the past. With demand high, cotton prices high, and other cropping systems less promising, cotton acreage is rapidly increasing in the area.

Agricultural Research Service (ARS) is the primary research agency that developed, and with Animal and Plant Health Inspection Service (APHIS) and others, tested the technology for eradicating the boll weevil. With ARS support the boll weevil eradication program continues to move across the cotton belt.

The increased production efficiency results from several factors including: no boll weevil control costs (except monitoring); greatly reduced costs of other insect control, including boll worm (because good, predator insects and spiders are not killed with early boll weevil sprays); and improved agronomic and harvest practice.

Conservation tillage of cotton: Agricultural Research Service (ARS) is involved with conservation tillage (or minimum tillage) efforts at the Southern Piedmont Conservation Research Center at Watkinsville, Georgia. This facility demonstrated and tested conservation cotton production systems in 1994 that protect the soil from water erosion and produced as much as three bales of cotton per acre. This is highly significant as cotton is planted on highly erosive soils of the Southeast in the future.

Loblolly Pines Resistant to Fusiform Rust Disease: Forest Service researchers in Georgia have identified genes in loblolly pines that are associated with resistance to fusiform rust disease. This major discovery is expected to speed the process of selecting rust-resistant trees.

Swine Pseudorabies: Animal and Plant Health Inspection Service (APHIS) is nearing full eradication of swine pseudorabies, a serious, contagious disease that can kill all livestock except adult swine, which can act as reservoirs for the disease. There are currently fewer than 10 known pseudorabies-infected swine herds in the State; the goal is to eradicate the disease from the entire country by the year 2000.

OTHER GENERAL AGRICULTURE ISSUES

Peanut Program: Georgia is usually the leading U.S. producer of peanuts. The economy of South Georgia is dependent on peanuts and now it seems that growers are willing to negotiate to keep the peanut program by indicating their willingness to put in a no-net-cost program.

The annual net Commodity Credit Corporation outlays for the peanut program range from nothing to approximately \$100 million annually since fiscal 1986. With current legislation requiring a minimum national marketing quota of 1.35 million tons, net expenditures are expected

to range in the foreseeable future near the \$100 million mark. The annual quota support level determination is the previous year's support level plus any increase in the cost of producing peanuts. The maximum quota support level increase is five percent.

Opponents of the peanut program have been emboldened by recent studies made by the General Accounting Office and Industry Groups that have been critical of many aspects of the program. Allowing new growers easier access to quota pounds, lowering the quota support level, and carryover are issues of controversy.

Additionally, Georgia peanut producers continue to be concerned about peanut import quality. Peanut quality is a special concern, as low-quality peanuts can be contaminated with aflatoxin, a carcinogenic substance. Neither the North American Free Trade Agreement nor its implementing legislation required that imported peanuts meet the same quality requirements as domestic peanuts. However, the President promised Congress that minimum quality requirements would be imposed on imports. A proposed rule that would require imported peanuts to meet the same quality requirements as domestic peanuts is in clearance channels.

The Administration is willing to work with the peanut industry to develop a program that provides opportunities to increase farm income, reduces program complexity, and produces significant long-term reductions in budget outlays.

Poultry Industry: Georgians in southern counties do not want poultry industries expanding there. Some county commissioners have passed ordinances in central Georgia (Crawford, Merriweather, and Peach Counties) to prevent expansion. Extension is playing a middle ground role in this controversy but is often perceived as siding with the growers.

Blueberry Industry: In the past 25 years, Georgia's blueberry industry has grown from only 150 acres to more than 4,000. In 1992, Georgia growers sold more than \$9 million worth of blueberries. Growers like Donnie Morris, general manager of Baxley Sunbelt Blueberry Corporation, have reaped the benefits of University of Georgia (UGA) research and extension efforts to develop new varieties and efficient production systems.

Canola: Canola is a new crop for Georgia. By collaborating with Canola experts in Australia, UGA researchers have developed disease-resistant Canola varieties that will help Georgia growers get started with this exciting new crop. UGA researchers and extension specialists have worked together to develop a production system for Canola, and now estimate the crop can bring profits of \$80 to \$100 an acre for Georgia growers like Marty McLendon of Morgan, Georgia, who planted 260 acres this year.

Vidalia onions: In the mid 1980s, Georgia's Vidalia onion crop had an estimated value of \$20 million a year. Today, it's worth more than \$50 million a year, thanks largely to the efforts of controlled atmosphere storage techniques designed by Experiment Station researchers. Controlled storage facilities make it possible to preserve and market Vidalia onions year round.

Tobacco: Tobacco is a major crop in Georgia. During the 1994 marketing season, a total of 83.7 million pounds was sold through 12 auction markets for \$138.3 million. In December of 1994, the major tobacco companies reached an agreement with congressional leaders to purchase the tobacco held in loan stocks thus providing stability for the tobacco program for the immediate future.



EDUCATION AND TRAINING

Rural Skill Supply: Does the rural workforce have competitive levels of education and vocational training?

The rural population has completed less schooling than the urban population. According to the 1990 Census, 77 percent of metro adults had completed high school and 23 percent college, as compared to 69 and 13 percent of nonmetro adults. Despite the rural gap in schooling, the metro and nonmetro educational distributions are broadly similar in so far as the typical worker has completed high school but not progressed as far as a bachelor's degree (55 percent of metro adults versus 56 percent of nonmetro adults).

Between 1970 and 1990, the share of nonmetro adults completing high school rose from 44 to 69 percent and the share completing a bachelor's degree rose from 7 to 13. Educational levels also rose in urban areas, however, and the net effect was to diminish the rural gap in high school completion (from 10.5 to 7.8 percentage points) but to increase the rural gap in college completion (from 4.8 to 9.5 percentage points). The large and rising rural gap in college completion is due to both lower college attendance among rural youth and the tendency for rural college attenders to migrate to urban areas. Although the rural gap in high school completion narrowed, dropout rates are still very high in persistently poor rural areas, among rural minorities, and in parts of the rural South.

The National Assessment of Educational Progress says nonmetro high school seniors' overall achievement levels in reading, mathematics and science are approximately equivalent to those of seniors in metro areas. When broken down by region, the data show that nonmetro students in the South lag those in southern metro areas and in the nation as a whole. Nonmetro students in the Northeast, Midwest and West actually test slightly better than their metro counterparts.

The 1992 National Adult Literacy Survey indicates that 40 percent of the nonmetro adult workforce (and two-thirds of nonworking adults) have low levels of literacy and numeracy skills and may thus be trapped in low-skill jobs because they are unable to qualify--or even train--for higher skill jobs, without additional training in basic academic skills. The nonmetro distribution of literacy skills only modestly lags the metro distribution, however, and this gap is almost exclusively found in the South, where educational attainment also lags. At given levels of schooling, the literacy skills of metro and nonmetro adults are strikingly similar.

Census data for 1991 indicate that rural workers do not receive as much skill-upgrade training from their employers as urban workers. The rural training deficit appears quite small (40 percent of nonmetro as compared to 43 percent of metro workers had received training on their current job), but it is worrisome that this gap emerged between 1983 and 1991, when metro training rates rose much faster than nonmetro. Although an increasing share of U.S. employers believe their long-run competitiveness requires increased investment in workforce training, these employers are

disproportionately urban.

Rural Access to Education and Training: Do the rural population or particular rural groups face special barriers to acquiring adequate job skills?

The clearest curricular deficiency of rural schools is that they are much less likely to offer advanced academic courses to students. This deficiency extends across mathematics, science and humanities courses and is only partially accounted for by the low average size of rural schools. This may be one reason why rural high school seniors are less likely to attend college than their counterparts in urban areas.

The typically smaller size and greater isolation of rural firms probably limits their ability to train their workers, because they have greater difficulty achieving efficient scale for their in-house training and less access to external providers of training, such as two-year colleges. Remoteness from post-secondary schools and public training programs also limits the access of some rural individuals to job training.

Rural poverty and low educational attainment are strongly associated. In 1990, the share of adults who were high school dropouts in persistently low-income nonmetro counties was 46 percent compared to 31 percent nationally. Rural southerners and especially rural minorities experience high rates of poverty and school failure. The nonmetro dropout share was 38 percent in the South, 52 percent for Blacks, and 54 percent for Hispanics. As in the more visible case of urban ghettos, a complex set of economic and social problems contribute to and are reinforced by high dropout rates.

Additional job training tends to go to workers who already have the most skills and best jobs. College-educated workers receive far more training from their employers than less educated workers. Minority and southern workers receive less training than other rural workers.

Rural Skill Demand: What is the likely economic development payoff to improving rural job skills and how can it be maximized?

Even though the supply of highly-educated and trained workers is somewhat lower in rural than in urban areas, inadequate workforce skills generally do not appear to be the major bottleneck to rural economic development. This suggests that weak rural skill demand may be more of an obstacle than weak rural skill supply, an interpretation supported by the relatively low wage premium for college-educated and literate workers in rural areas and the slow growth in rural skill demand indicated by analysis of BLS projections. However, the potential for high performance work organizations, which would presumably increase demand for worker skills, remains largely untapped in rural areas.

In general, recent research implies a need for broad economic development strategies that enhance rural demand for high skill workers along with the supply of such workers. Such a strategy might include, for example, making rural areas more "urban-like" by providing the information infrastructure needed to support the relatively high skill sectors of the economy. But, whatever the

specifics, it seems likely that improving rural skill supply, by itself, will not be enough to markedly improve rural development prospects in most areas. To do this, the demand side of the problem must also be addressed.



A. McHugh

IOWA TALKING POINTS

President Clinton's Agriculture/Rural Accomplishments

The Clinton Administration continues to work closely with rural communities in preserving the family farm, revitalizing the economy of rural communities and competing in the global marketplace. **From expanding export markets to designating rural Empowerment Zones and Enterprise Communities, the Clinton Administration is working to create jobs for rural families -- is working to make the economy work for rural communities.**

The recent economic expansion has been even stronger in rural areas. Rural employment fell from 9.2 percent in the first quarter of 1992 to 5.7 percent in the last quarter of 1994.

In addition to the President's rural development initiatives, President Clinton's agenda for all of America is good for rural America. This means continued vigilance to reduce the deficit; the fight for a Middle Class Bill of Rights to help hard working middle class families meet the costs of raising and educating their children and helping rural Americans save for their retirement.

With six regional rural forums, hosted by Secretary Glickman April 17-24, and President Clinton's April 25 National Rural Conference in Ames, Iowa, this Administration continues to listen and learn from rural communities. As the century draws to a close, it is vital that policymakers, community leaders, elected officials, business people and rural Americans evaluate the state of the rural economy and related social concerns. Much of the nation's strength is grounded in its rural roots. Rural America, which includes 83 percent of U.S. land and 21 percent of its population, yields an abundance of ideas, food and fiber that helps to keep America globally competitive. **The six regional forums and the national conference are especially important with the development of the 1995 farm bill which will establish the nation's agriculture policy into the next century.**

The following are some of the highlights of the Administration's accomplishments and initiatives for rural communities:

Economic and Community Development

***President Clinton's Empowerment Zone/Enterprise Community** program includes 30 rural Enterprise Community designations and three rural Empowerment Zone designations. The designations mean special consideration for various federal programs and other assistance, including social service block grants, new tax exempt facility bonds and tax incentives for employment. Empowerment Zone employers qualify for tax credits for each qualified worker that resides within the zone and grants will be substantially larger. Each selected rural EZ receives

\$40 million and each rural EC receives \$2.95 million to implement strategic plans. The designations were made to communities across the nation long plagued by poverty both rural and urban. The designations were based on strategic plans developed by local leaders, organizations, state officials and the private sector. The program allows local communities to develop strategies to solve local problems and enhance economic development. **The EZ/EC program works because it puts Americans to work. The designations, announced Dec. 21, 1994, included the following three rural Empowerment Zones: Kentucky Highlands, Mid-Delta in Mississippi, and Rio Grande Valley in Texas. The urban Empowerment Zones were: Atlanta, Baltimore, New York, Chicago, Detroit and Philadelphia.**

Iowa EZ/EC

There is only one designation in Iowa: Des Moines received an urban EC.

***President Clinton's Americorps national service program** is providing service in rural areas throughout the United States, "getting things done" while promoting community, opportunity and responsibility. USDA Americorps projects -- which engage 1,200 of the 20,000 citizens serving in the overall Americorps program -- are fighting hunger, promoting rural development and protecting the environment in rural communities in 35 states.

Iowa's AmeriCorps

The Iowa College and Community Action Network (I CAN) represents Iowa in the national service initiative of AmeriCorps. Iowa State University Extension is the only USDA Extension program designed as a state project for AmeriCorps, and will sponsor 82 of the 158 young people in the state involved in the AmeriCorps program.

***President Clinton's Economic Development Bank Act**, signed into law on Sept. 23, 1994, sets forth a program of federal support for a wide range of specialized lenders known as community development financial institutions (CDFI) that target the development needs of distressed rural and urban communities. The act will assist CDFI's in creating jobs in distressed areas through making credit available and by providing necessary technical assistance to start-up efforts, business expansions and employee-owned companies. The Congress is currently considering a full or partial rescission of FY 95 CDFI funding. The Administration is actively opposing these efforts to cancel or cripple this key investment program.

***The Administration's Pacific Northwest Economic Adjustment and Community Assistance Response** involves twelve federal departments and agencies developing a financial plan that will respond to the economic diversification needs of the region. In FY 1994, the USDA obligated \$82.9 million to the effort. In FY 1995, the USDA committed to invest \$35 million in business development assistance to help timber-impacted communities of the Pacific Northwest adjust to changes in the timber industry.

***The Administration is committed to the Water 2000 initiative, which will bring safe, affordable drinking water to the more than 400,000 rural homes without running water.** The Administration's FY 1996 budget called for a \$90 million (18 percent) increase for water and waste disposal grants.

The Rural Utilities Service (RUS) Water Program has been successful in Iowa by financing regional water systems; approximately 225 rural communities receive water service from 20 regional water systems.

This fiscal year, the RUS Water and Waste Disposal Program made 16 loans (\$12 million) and grants (\$4 million) that have enabled rural water and wastewater systems to improve the drinking water for 22,948 water users and waste disposal facilities for 265 users in Iowa.

Warren Rural Water projected funded, which provides safe sanitary water to six rural towns and 1,900 rural residents. This is partnering: a joint state-USDA.

***The Clinton Administration, including the USDA and the Department of Housing and Urban Development, is committed to Homeownership 2000, which aims to increase homeownership in America by the year 2000. Decent, safe, sanitary and affordable housing is indispensable to vibrant rural communities. USDA's focus on supervised credit enables many borrowers to maintain stable payment schedules in times of financial crisis. In the last fiscal year, 48,206 low-and very low-income families were assisted by USDA's direct loan program and 11,569 families received assistance through USDA's guaranteed rural housing program.**

***Vice President Gore announced on March 31, 1994, that the Administration would increase coverage of weather radios and aggressively pursue public and private placement of the radios in all homes and businesses. The Rural Utilities Service in cooperation with the National Weather Service is actively seeking private sponsors for the new tower sites and towers to provide Early Warning System coverage to rural areas previously not covered by the National Weather Service's weather radio. This new effort more than doubles the number of areas currently receiving weather radio coverage and will help rural families get early warning of dangerous weather conditions.**

***The Administration is actively involved in providing access to the information superhighway in rural America. Over the last three years, \$802 million has been loaned for advanced telecommunications facilities providing fiber optic cabling, digital switching equipment, enhanced features and for distance learning applications. This effort includes the Distance Learning and Medical Link Grant Program, which in October, 1994, awarded \$10 million to 33 education and medical organizations in 28 states to provide learning and health benefits for rural Americans -- via advanced telecommunications technology. Proposed for FY 1996 is a new \$100 million loan program to finance Distance Learning and Telemedicine projects throughout the country.**

***The Northern Great Plains Rural Development Commission was signed into law by President Clinton on Aug. 26, 1994, to promote economic development in the predominantly rural northern plains -- South Dakota, North Dakota, Nebraska, Minnesota and Iowa. This plan will contain a 10-year regional rural development strategy and specific recommendations on its implementation. This was modeled after the Lower Mississippi Delta Development Commission, which President Clinton chaired as Governor of Arkansas.**

***Through USDA's Alternative Agricultural Research and Commercialization (AARC) Center approximately 3,000 jobs will be created from the 37 funded projects.** The AARC Center seeks to help develop and market new products developed from agricultural, forestry and animal by-products. The AARC Center is not a government handout, but a venture capital program that leverages private sector investment to get products from the research laboratory into the marketplace.

Reorganization/Cutting Bureaucracy

***President Clinton's reorganization of USDA** will achieve a savings of \$4.1 billion by 1999. It means a more efficiently run department with fewer people, less red tape and a smaller bureaucracy. On Oct. 13, 1994, President Clinton signed legislation that reorganized USDA and reformed the federal crop insurance program. The reorganization includes, cutting staff by 13,000 and reducing the number of agencies from 43 to 29. In addition, 1,170 field offices are scheduled for consolidation and closure. The field offices are being restructured into one-stop service centers to provide more efficient service. In addition, the Administration has proposed to fundamentally change the way federal rural development programs are delivered by the USDA. The Rural Performance Partnership Initiative (RPPI) cuts red tape, puts customers first, empowers employees, and makes government produce better for less. Under RPPI, almost \$1 billion in funding for 14 separate rural development programs will be combined into only three funding streams. It is estimated that RPPI will save \$130 million over five years from a combination of administrative savings and program savings.

The crop insurance reform measure will end the need of ad hoc disaster assistance and guarantee affordable, effective and reliable crop insurance for farmers.

Expanding Trade

***President Clinton's Administration has made expanding overseas markets for U.S. agricultural products a priority in order to increase farm income and bring jobs to rural communities.** Some of the agricultural trade successes include: the signing of the GATT and NAFTA agreements; the signing of an historic agreement allowing apples from Washington State into China for the first time; an agreement with Canada regarding wheat trade, addressing the immediate problem of a surge of Canadian grain imports; and the purchase of U.S. rice by Japan for the first time since 1967.

In addition, last year the Administration announced that it had approved the sale of 20,000 metric tons of American pork to seven former Soviet states under the USDA Export Enhancement Program. Last September, the first shipments of pork from North Carolina were sent to Russia under this program. This is a program that past administrations promised but never delivered. **Iowa will greatly benefit because it is also a big pork producer.**

The USDA forecasts U.S. agricultural exports at a record \$48.5 billion in fiscal 1995, up \$5 billion from last year. The agricultural trade surplus is running at \$20 billion a year. The USDA estimates that agricultural exports this year will support more than three-quarters of a million jobs both on the farm and in our cities.

Iowa Agricultural Exports

Iowa was the second leading exporter of agricultural commodities in fiscal 1993 with estimated exports of nearly \$3 billion, unchanged from the previous year. Until California took over as the leading exporter, Iowa often led the nation because of its production of feed grains and soybeans.

- ▶ Iowa accounted for 7 percent of total agricultural exports in fiscal 1993 and was the leading exporter of feed grains and products at \$12 billion, and second in soybeans at \$998 million. Iowa was the third ranked seed exporter at \$52 million, and was the fourth leading exporter of live animals and meat (\$339), animal feeds (\$111 million), and animal fats (\$48 million). Iowa was a top-ten exporter of hides and skins (\$72 million) and dairy products (\$24 million).

Native Americans

***On April 29, 1994, President Clinton sent to heads of executive departments a Presidential memo with specific direction on government-to-government relation with Native American Tribal Governments.** The memo stated in part that activities affecting Native American tribal rights or trust resources should be implemented in a knowledgeable, sensitive manner respectful of tribal sovereignty.

Supporting the Self-Employed

***On April 11, 1995, President Clinton signed into law the "Self-Employed Health Insurance Act,"** that extends permanently the tax deductibility of health insurance premiums for the self-employed and their dependents, a move that will help farmers and other self-employed rural families. The law permits 3.2 million people to claim a 25 percent deduction for health insurance premiums they paid in 1994.

Wetlands

***Wetlands Reform: On April 6, 1995,** Secretary Glickman announced the U.S. Department of Agriculture will make agricultural wetlands delineations and certifications only on request until Congress completes action on the 1995 farm bill and the National Academy of Science completes work on a wetlands study. President Clinton directed all federal agencies to review and change regulations so that they are focused on results, not rules, and eliminate all unnecessary intrusion into the lives of ordinary Americans. The delay in certifications and advance delineations will give the Administration and Congress the opportunity to review the National Academy of Science study and its findings before changes are made to the Swampbuster program in the 1995 farm bill. **In addition, on Aug. 24, 1993,** the Administration announced a wetlands policy to stop gridlock. The announcement included 40 changes to current policy including reducing duplication and inconsistency for American farmers by designating the USDA as the lead agency for wetlands determinations on agricultural lands.

Ethanol

***On Dec. 15, 1993, the Administration announced regulatory actions that will increase market opportunities for corn-derived ethanol and lead to significant reductions in urban smog. In addition, on June 30, 1994, the Administration issued a regulation that requires a 30 percent mandate for renewable oxygenates, including ethanol in reformulated gasoline. Increasing the use of renewable oxygenates such as ethanol and ethyl tertiary butyl ether will spur investment in ethanol production and provide greater economic opportunities for rural America.**

Currently, the U.S. is producing about 1 billion gallons of ethanol annually. A billion gallons of ethanol uses about 400 million bushels of corn, nearly 5 percent of the annual corn crop. Each 100 million bushels of corn used annually in ethanol production increases farm level corn prices 4-6 cents per bushel. One USDA study notes that increases in ethanol production to 2 billion gallons annually would create 28,000 jobs. Also, USDA estimates that an ethanol production increase from 1.2 to 2 billion gallons, would replace 41 million barrels of imported oil, worth about \$1 billion annually.

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Iowa Specific USDA Data

Key Points on USDA's Assistance to Iowa

- o About 80,000 households participate in USDA's Food Stamp Program.
- o About 31 percent of the school lunches are served at a reduced price or free versus about 50 percent nationwide.
- o About 59,000 persons participate in Women, Infants, and Children (WIC) program; about 79 percent of these participants are infants and children.

- o USDA will be closing 13 of 113 current county-based field locations as part of USDA streamlining.

Flood and Disaster Relief

Total USDA emergency assistance to Iowa in flood assistance to Iowa after the Midwest Floods of 1993 totaled \$773.8 million.

Disaster relief provided by the USDA Food and Consumer Service to Iowans victimized by the Midwest floods of 1993 totaled nearly \$1.9 million in emergency food stamp benefits to 7,000 families and approximately \$365,000 in commodities to voluntary relief agencies in support of congregate meal services.

Iowa USDA Projects

Two USDA Rural Business Enterprise grants were approved during the current fiscal year: \$500,000 to Cherokee Economic Development Corporation in Cherokee, and \$1 million for the University of Northern Iowa in Cedar Falls.

A USDA Rural Economic Development grant of \$400,000 for Iowa Lakes Electric Cooperative in Estherville to establish a revolving loan fund, initially for two projects, one in Spencer and the other in Spirit Lake.

The Rural Economic Development Loan Program provided a \$140,000 zero-interest loan to the River Valley Telephone Cooperative to finance a manufacturing facility for Energy Panel Structures; the program also provided a \$100,000 zero-interest loan to Hawkeye Tri-County Electric Cooperative to finance an expansion of Featherlie Manufacturing, which created 60 jobs.

USDA Rural Business Enterprise Grant of more than \$1 million for rural business assistance and industrial site location to the University of Northern Iowa.

The Cooperative Services Program, part of the USDA Rural Economic and Community Development mission, is assisting state staff to implement technical assistance to rural residents in developing self-help cooperatives.

Iowa Farm Points

USDA Consolidated Farm Service Agency (CFSA) Farm Credit Programs has obligated \$23.7 million in direct and \$66.9 million in guaranteed loans this fiscal year; CFSA emergency loan assistance is available in eight Iowa continuous counties.

Forest Service

- o The USDA Forest Service supported Iowa's Trees Forever effort to work with 820 volunteer organizations to plant 67,243 trees in 1994.
- o The Forest Service's Economic Action Programs helped establish a new Iowa business

that constructs modern timber bridges from Iowa hardwoods, expands tourism in six southern Iowa counties, and creates a new business that fabricates log cabins.

- o In FY 95, the Forest Service provides technical assistance and grants totaling nearly \$1.3 million to private forest landowners in Iowa; the President's FY 96 budget would decrease this assistance to \$900,000.

Food Stamp Assistance/Family Assistance/Health

Iowa operates a food stamp/Aid to Families with Dependent Children Electronic Benefits Transfer (EBT) program in Linn County.

Iowa's Family Investment Program provides a transition to work, an increase in family stability.

An in-house-developed Iowa Women, Infants, and Children (WIC) system is operating in three pilot sites with further statewide development under way.

NOTE: In 1994, Iowa's legislature passed a bill mandating the School Breakfast Program in all Iowa schools by 1999.

Plant and Animal Health

USDA's Animal and Plant Health Inspection Service has a pseudorabies eradication program and Iowa has 25 percent of the nation's swine and about 50 percent of the nation's known pseudorabies-infected herds. All of the state's 99 counties now are participating in the program, with the goal to eradicate pseudorabies by the year 2000.

a/ia talk pts

NATIONAL RURAL CONFERENCE
Ames, Iowa
Iowa State University, Memorial Union Great Hall
April 25, 1995

Talking Points for President Clinton's National Rural Conference

- Two years ago, the President and Vice-President convened the original Economic Conference in Little Rock to talk to people from across the country and get their ideas about the creation of the Administration's economic strategy for the country. Two years later, the Clinton Administration is convening a series of similar conferences to take stock of where the country is today.
- The National Rural Conference '95 is a week long effort capped off by the National Rural Conference in Ames. Agriculture Secretary Dan Glickman and other USDA officials will hold a series of rural forums across the country from April 17-24. These forums will be held in California, Texas, Pennsylvania, Georgia, North Dakota and Illinois.
- The regional town hall meetings and the National Rural Conference move the debate on the future of rural America out of Washington D.C. and into the communities of rural America where it belongs.
- The regional town hall meetings will focus on a range of issues from rural health and nutrition to production agriculture to international markets.
- The National Rural Conference in Ames, Iowa will tie together these themes and allow the President, the Vice-President and Secretary Glickman to hear first hand how our economic policies are impacting the lives of people in rural America and how we can develop a rural economic strategy to improve the lives of rural Americans. Participants in Iowa will include working families, small business owners, farmers and experts from rural America.
- The day-long National Rural Conference in Ames follows a successful Southern Economic Conference in Atlanta last month. Specifically, the National Rural Conference aims to remind people that:
 1. The economy of today is a result of the President's specific economic policies -- policies that grew out of his experience as a successful Governor who is intimately familiar with the unique needs of rural communities;
 2. This Administration's economic strategy has worked and rural America has benefited;

3. As the country enjoys a formidable economic recovery, we see, though, that many working families are not benefiting. The President and his Administration is moving forward with a clear vision for the future, one that furthers mainstream values -- opportunity, responsibility, and community -- and interests of hard-working rural Americans so that all may benefit.
- The topics of discussion at the National Rural Conference will be conducted within the framework of overarching themes such as investing in the economy of the future, enhancing local flexibility and community empowerment, making government work better and cost less and sustainability.
 - Secretary Glickman summarized the focus of the National Rural Conference '95 in a recent interview. He said his goal was to get the "experts off their tractors and from their homes, and to give the President a feel for what's on their minds, from farm issues, to rural development issues, to health issues to whatever is important to them."
- "It's important for the President of the United States to just listen to people from rural America who have important thoughts on health care, education and every other subject."
- Attached are Agriculture/Rural Accomplishments talking points, and press releases announcing the events.

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